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SUBJECT: POLITICAL STRATEGIES DEVELOP FOR MARCH GENERAL

**ELECTION CAMPAIGNS** 

Classified By: Deputy Chief of Mission Hugo Llorens for reasons 1.4 (b) and (d).

11. (C) SUMMARY: As we head into the holidays, the polls continue to suggest a close race in the March general election, with President Zapatero and the Partido Socialista Obrero Espanol (PSOE) perhaps enjoying a slight lead over Mariano Rajoy and the Partido Popular (PP). Recent conversations with key figures in the leading parties suggest that when the campaign kicks into high gear in January, both parties will be emphasizing the economy (with sharply different views on how it fares). The PSOE will trumpet itself as the party of social tolerance and environmental protection. The PP will argue that Zapatero has given too much ground to regional interests at the expense of Spanish national unity, has been weak in dealing with ETA, and has not adequately addressed the immigration issue. We do not expect foreign policy to be a key issue, although the PSOE will remind socialist voters that a return of the PP could mean a return to the pro-U.S. foreign policy of former PP President Aznar. Both parties think turnout levels will be the determining factor, since PP voters are widely believed to be more disciplined and hence could be over-represented if relatively few people vote on election day. END SUMMARY.

# PSOE SECRETARY GENERAL CONFIDENT BUT HOLDING HIS CARDS CLOSE

- 12. (C) Pepe Blanco, Secretary General of the PSOE, acts as the de-facto party chairman and as the senior political advisor to Zapatero. Talking to the Ambassador, he compared this election to a heavy-weight title bout, and claimed the PP was not really in the fight. Blanco said he had assembled the finest polling team ever to work in Spanish politics. Boasting of his team's technical expertise, Blanco said they had conducted extensive focus group sessions all over Spain and would develop specific policy positions to reflect the interests of the voting public. Blanco confidentially expressed his certainty that the PSOE had the clear advantage in the campaign, citing weekly polls consistently in favor of Zapatero, and estimated a winning margin of 6-7 points over Rajoy based on current data. Blanco also said the polls were trending upwards over the last several weeks.
- 13. (C) Acknowledging that PSOE-inclined voters tend to be more complacent than PP voters, Blanco said he would never make public any data showing Zapatero held a comfortable lead. Blanco's strategy and tactics hinge on convincing the PSOE voters that their vote is critical to prevent the PP from regaining the Presidency. The message will be, as Blanco framed it bluntly, "vote for the PSOE or live under the rule of reactionary Neanderthals." He also admitted Zapatero is already seen as too moderate by some PSOE "left-leaners" and they might be disinclined to cast a vote

in his favor. Only by keeping the PSOE voters feeling threatened with the possibility of a PP victory could the strategists ensure that people will turn up at the polls on voting day.

 $\underline{\P}4$ . (C) Blanco noted that if PSOE does win the election, it will bring a major turnover in the PP structure as Rajoy will be forced to turn over the reins to another political figure. Blanco and other officials like Elena Valenciano, PSOE Secretary for Foreign Affairs, are counting on Zapatero's

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voter appeal and what they describe as Rajoy's "wooden" campaign style.

## PP FOCUS ON ECONOMY, FAMILY

15. (C) In a December 4 meeting with Ana Pastor, a close advisor to Rajoy, the Ambassador learned that the PP campaign team was reassessing its strategy and implementing recommendations from U.S. political consultants. In a moment of candor, Pastor said that the PP assumed previously that Spanish voters recognized implicitly Rajoy's intellect and capacity, saying, "Rajoy would be a better President than he is a candidate." PP consultants advised that voters perceived Rajoy as distant and unsympathetic. The PP team intends to create opportunities for Rajoy to show more empathy and human connection with voters. They will emphasize the importance of the family with linkages to health, education, financial independence and security. The PP will also continue to focus on pocketbook issues such as rising interest rates (home ownership -- vice renting -- and variable rate mortgages are the norm here) and inflation. Pastor will work with Rajoy to put in place a credible finance team that can compete with the success of current Minister of Economy Pedro Solbes and articulate a strong

MADRID 00002265 002 OF 003

financial stability message to the electorate.

- 16. (C) Pastor, like other PP interlocutors, criticized the PSOE for diminishing Spain's international prestige during the last three years. According to Pastor, Zapatero abandoned the transatlantic relationship and reduced Spain's international influence. The PP would seek to expand Spain's prestige and reaffirm key alliances. Citing missed opportunities and mishandling of important portfolios such as the Middle East, North Africa, Venezuela and Cuba, Pastor admitted that foreign policy might not be a decisive issue in the March elections. Nevertheless, she argued that increased drug trafficking from Latin America (e.g., Venezuela) and rising consumption in Spain could give the PP a way to tie the PSOE's foreign policy blunders to the concerns of ordinary voters.
- $\P$ 7. (C) Acknowledging that all politics are local and that the election would be won or lost on "hometown issues," Pastor said that the "human connection" strategy would play a big part in regional politics. Andalucia is a primary target for getting out the vote, and the PP will play up the need for more education and training opportunities (local press noted Andalucia was ranked lower than Turkey in a recent education survey). In Catalonia, the PP hopes a series of well-publicized debacles involving public infrastructure (commuter train interruptions and electricity blackouts) will lead Catalan voters (who are unlikely to vote for the PP in any circumstance) to stay home on election day.

### PP SEEKS TO UP THE LEVEL OF CHARISMA

18. (C) During a lunch hosted by the DCM with five members of the PP electoral committee, the guests recognized Rajoy was behind in the polls but claimed to take comfort from the fact that the polls failed to predict their strong showing in

Spain's May 2005 municipal elections. The advisors theorized the campaign would be fought hardest in about 20 cities where congressional seats are won or lost by a handful of votes. Each party will put its most charismatic candidates on the ballots in these key areas (e.g., Valencia). The PP team said their campaign would focus on a softening economy, Zapatero's alleged weakness in the face of Basque and Catalan demands for more autonomy and fiscal privileges, and rising concerns over immigration.

19. (C) If PP did win the election, Ignacio Astarloa, PP Executive Secretary for Security and Justice, has been mentioned to us as the potential Minister of Interior (among others by Astarloa himself) and Angel Acebes, PP General Secretary has been mentioned as Vice President and senior

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policy advisor. There has been hedging about who might be Minister of Foreign Affairs, with a hint that that PP insiders such as Jorge Moragas or Gustavo Aristegui might be passed over in favor of a senior career diplomat.

110. (C) Astarloa told us he expects the March election to be close (within two to three percent). He declined to speculate as to which party was ahead at this point, but he admitted what many observers have noted: the PP might have overplayed its hand during the last eighteen months with its harsh criticism of the PSOE for being soft on terrorism. Nevertheless, he believed Rajoy had much more credibility than Zapatero on security issues, and that, combined with effective messages on the economy and immigration, could win the day. Like Pastor, he emphasized framing issues in a way that connected with voters and cited immigration as one such issue. He noted the rising number of immigrants was beginning to affect ordinary Spaniards as they sought access to social services such as health and education. He also believed immigration could be linked to law and order concerns such as gang violence.

### COMMENT

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111. (C) While the general sense seems to be that the PSOE is slightly ahead, it is too early to make predictions. Rajoy has so far failed to land any body blows on Zapatero. Instead, the PSOE has had some success (thanks in part to PP missteps) in depicting the PP as mean-spirited and needlessly divisive. Nevertheless, Spanish voters will not get serious about this campaign until January or even February. Rajoy still has time to get his message across (it appears there will be two televised debates). There is also the very real possibility that the softening economy, especially if unemployment jumps, will spook the voters. Finally, a boring or negative campaign could suppress turnout, which everyone seems to believe could hand the PP a victory.

MADRID 00002265 003 OF 003

- 112. (C) A lurking issue for the PP is that even if it beats the PSOE, it may not win enough seats to govern without forming alliances with other parties. There are 350 seats in Congress, and 176 are required to govern. In 2004, the PSOE won 164, the PP 148, CiU (the main Catalan party) ten, ERC (another Catalan party) eight, the PNV (the main Basque party) seven, the IU (far left) five, and smaller parties a total of eight. The PSOE combined with ERC and IU to add 13 to their total of 164. The PP electoral committee has acknowledged to us they might have to seek alliances with the Catalan or Basque parties to govern, but it is far from certain that parties from the same regions the PP criticizes for demanding too much autonomy from the central government will ally themselves with the PP if the time comes. Certainly they would try to exact a heavy price.
- 113. (C) Finally, there is the unexpected. The terrorist attacks three days before the 2004 election probably cost the

PP the presidency (certainly that is what the PP believes). With the polls so close, no one can rule out some unforeseen event that would turn the campaigns upside down. Whatever the case, we will be watching closely. AGUIRRE